

HOUSE OF REPRESENTATIVES
COMMITTEE ON OVERSIGHT AND GOVERNMENT REFORM

TESTIMONY OF HOWARD J. KRONGARD

INSPECTOR GENERAL

U. S. DEPARTMENT OF STATE AND BROADCASTING

BOARD OF GOVERNORS

November 14, 2007

Chairman Waxman, Ranking Member Davis, and other Members of the Committee.

I come before you today, voluntarily and anxious to respond to inaccurate allegations regarding my performance as Inspector General (“IG”) of the Department of State.

By way of background, prior to May 2005 I had never been involved in government service. I was a lawyer for forty years in the private sector, with twenty-three years experience as Counsel for Big Eight and Big Six international accounting firms where I analyzed and defended many audits. Based on my experience, I was asked in 2004 – without seeking it or even being aware of it -- to take on the job of Inspector General at the State Department. That position had been vacant for some time. At 65 years of age, I came to office with no aspiration for any further position and with no agenda other than to do the best job I could of carrying out the specific mission prescribed for me by senior management at the State Department at that time: namely, to restore the capabilities of an IG office that had fallen into disrepair, and was known to have dissension and rivalries, and to make it more efficient, more professional and more relevant to a dynamic post-9/11 world environment.

In view of the allegations that I have politicized the office, have acted from partisan political ties, and believe my foremost mission is to support the Bush administration, I should

point out that I have never had any political ties whatsoever. I have never been involved in any political party activities; I have never worked in a political campaign; I have never been a major contributor to any one party; and I do not recall even making a political contribution since the year 2000. When I was considered for and offered the IG job, I had never met or spoken to the President or any other person in the White House; and even today, after 2 ½ years in office, with the exception of a person I had known from working for a volunteer organization long before coming to Washington, I still have never met or spoken with the President or any other person in the White House.

Mr. Chairman, at the time I was awaiting the confirmation process, and had the natural apprehension as to whether I should take on a job I knew very little about, I read your persuasive report on the Politicization of the Inspectors General and I thought I was very much the kind of person you were looking for.

In the course of carrying out my mission to Restore the Capabilities of OIG and to make it more efficient, professional and relevant, I sometimes clashed with a minority of people in OIG who were resistant to change, who had grown comfortable with a leaderless organization, or who may not have had the high level of skills or commitment needed in today's challenging environment. These clashes were unfortunate, but I need to emphasize that I never allowed them to affect my judgment as to which jobs were to be undertaken or where resources should be allocated.

A recurring theme in the allegations leveled at me is that I have impeded investigations that agents in OIG wanted to conduct. I want to say in the strongest terms that I never impeded any investigation. Without getting into specifics of any particular investigation, suffice it to say there are many times when experience and capabilities, benefits to be achieved, likelihood of

success, availability of other investigative bodies to do the same work, available resources (both financial and human), and possibly conflicting parallel proceedings have to be weighed in determining whether a particular investigation proposed by someone in INV or OIG can or should be undertaken and, if so, when. I have tried to make these determinations as best I can, with the objective of making OIG as effective, efficient, and relevant to the current world as I can. Expecting to be informed of investigations undertaken by OIG, asking for useful work plans to support them, and taking care to avoid conflicts and coordinate efforts with other work being done by others both inside and outside OIG does not constitute obstruction.

With respect to the allegations of trafficking-in-persons at the New Embassy Compound, I did what I thought was the best thing in the circumstances. I went to Multi-National Force-Iraq Inspector General (“MNF-I IG”), the recognized leader in the field of inspecting camps in Iraq, and urged them to add the NEC construction worker camp to the many worker and guard camps they were already inspecting. The work MNF-I IG did was significantly more extensive than my own, but corroborated my preliminary observations. I believed then, and I believe now, that MNF-I IG was objective, experienced, and the most efficient and effective way for OIG to test the credibility of the allegations to determine what, if any, further work was appropriate. MNF-I IG has taken great offense at the mischaracterization of their work, and I share their feelings.

In closing, let me share with you what I wrote to every member of OIG on May 2, 2007, the second anniversary of my swearing in:

“Internally, OIG has made great progress and has momentum on our side, but there is still much to be done. We must continue to strive to produce more timely, more relevant, more readable reports, and regrettably, at the same or even lower cost in terms of personnel time and expense. I was enormously encouraged by the recent New Employee Orientation program. We have terrific new people coming into OIG and bringing energy and new ideas. All of us need to get caught up in their enthusiasm.

As I begin my third year, I urge each of you to reflect on what we have accomplished, under very difficult circumstances, to take pride in your work and view each product you participate in as going out with your name on it; and to give me your support as we go forward. I also ask you, frankly, to make an effort to reduce some of the static that interferes with the harmony we would like to achieve. We have enough challenges to focus on without spending energy in rivalries between functional offices, SA-3 and SA-39, and Foreign Service and Civil Service, or in rumoring, backbiting, and complaining. Obviously, some of that is unavoidable human nature, especially in government and in any limited-resource environment. Nevertheless, let's do our best to keep this to a minimum, to recognize things will never be perfect, to understand that all decisions cannot please all people, and most of all, to keep our eye on the ball that keeps us all here: to make OIG, the State Department, BBG, and the Federal government better places, more efficient organizations and more effective in accomplishing their objectives."

Thank you, and I would be pleased to respond to any questions the Committee may have.